

This Employment Agreement (the "Agreement") is dated as of December 1, 2011, by and between Portfolio Recovery Associates, Inc. (the "Company") and Neal Stern (the "Employee").

WITNESSETH:

WHEREAS, the Employee is employed by the Company as its Executive Vice President, Operations; and

WHEREAS, the Company desires that the Employee continue to serve as its Executive Vice President, Operations; and

WHEREAS, Employee desires to continue such an employment relationship upon the terms set forth in this Agreement.

NOW THEREFORE, in consideration of the premises and mutual covenants contained herein and for other good and valuable consideration, the adequacy and receipt of which are hereby acknowledged, the parties agree as follows:

1. EMPLOYMENT.

(a) The Company hereby extends the employment (the "Employment") of the Employee on the terms set forth herein. Employee shall perform such duties and exercise such powers as directed by the Board of Directors or CEO of the Company (the "Board"). Employee hereby accepts the Employment and agrees to (i) continue to render such executive services, (ii) perform such executive duties and (iii) exercise such executive supervision and powers to, for and with respect to the Company, as may be established, for the period and upon the terms set forth in this Agreement.

(b) Employee shall devote substantially all of his/her business time and attention to the business and affairs of the Company, except as permitted for Paid Time Off, pursuant to Section 4 herein, and for Disability (as defined in Section 8(b)). Subject to CEO approval, the Employee may serve on the Boards of Directors of other companies, engage in charitable and community affairs, or give attention to his passive investments, provided that such activities do not interfere with the regular performance of his duties and responsibilities under this Agreement or violate any other provision of this Agreement.

